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An account of the office for transferring ... land-bills. [London, 1696.]

(Broadside creased and stained with some loss of print. Best copy available for photographing.)

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Transferring & Discounting Land-Bills.

Experience hath long since shewn, That the use of Bills, or Notes of Credit, is absolutely necessary in great Commerce and Traffick; because it makes Payments of Money easie, quick, and certain, by preventing the trouble and loss of Time in telling it over, and damage from Light and Counterfeit-Money.

And because great Loffes have happen'd here in *England*, from the Infolvency of several Persons that have given out Bills or Notes of Credit; therefore great *Thought* and *Industry* has of late Years been employ'd, both by the Publick and Private Persons, in settling Funds of Credit to prevent Loffes; All which Attempts have hitherto prov'd unsuccessful.

And yet, upon due Consideration it plainly appears, that both Public Funds and Private Mens Estates, without an aid of Parliament, are very capable of being Settled, as to make a certain Fund for Bills of Credit to pass in Payment as well as Ready-Money. And therefore, the Reason that such Attempts have not as yet been so successful, must be solely from the want of Knowledge and Skill in the Managing such Funds of Credit; by reason, perhaps, that some Persons who had great share in the contriving of the Settlements of such Funds, had no part in the Management of them.

Upon these Considerations, and especially from that of the more than ordinary Occasion for Bills of Credit at this time, since the Quantity of the Money is greatly less'd by the new-coinage of it. And, to the intent that for Useful a Design to the Publick, and of great an Advantage to the Nobility and Gentry; As the making the Lands of England a Fund for Bills of Credit, might not be lost, from the Discouragement some Attempts of this nature have met with, for want of Success; this Office for Transferring and Discounting Land-Bills was formed, and settled upon the Terms and Conditions herein express'd.

1. That the Masters and Managers of the Office (to be chosen as is herein expres'd) will provide proper Persons to accept the *Trust*, and to take the *Conveyances* of all *Mannors, Lands, Rents, Tenements, and Hereditaments*, which the Owners thereof shall desire to convey, pursuant to the Settlement of the Office for Transferring and Discounting *Land-Bills*, which is to this effect: That the Owners of the Lands may draw Bills of Credit on their Estates, as far as Three Fourths of the Value; and that such Conveyances shall be made in Trust, in the first place, for payment of those Persons to whom such Bills are assign'd, and afterwards in Trust for the Owners of the Lands. The Conveyances are to be enter'd in the Books of the Office. The Fee for Conveying and Settling in the Office, is Twenty Shillings *per Cent.* of the Value of the Estate, and Five Shillings *per Cent.* for entering the Conveyance in the Books of the Office, and Twelve-pence *per Bill*.

II. That the *Value* of all *Estates* may be the better known, upon which *Bills* are to be drawn not exceeding the *Value* of *Three Fourths*, the Rates are as followeth, *viz.* *Ground-Rents* in *Fee*, Two and twenty Years Purchase. *Leasels* in *Fee*, Twenty Years Purchase. *Houses* in *Fee*, infor'd, Seventeen Years Purchase. *Leafhold Estates*, according to the length of the Term. *Ground-Rents* of Sixty Years, with a Reversion of the Improvement, Eighteen Years Purchase. And so in proportion for shorter Terms. *Improv'd Rents*, a term of Sixty Years and upwards, well Tenanted, *Fourteen Years Purchase*. Fifty and upwards, Thirteen. Forty and upwards, Twelve. Thirty and upwards, Eleven. Twenty and upwards, Ten; with the Allowance of a Years Purchase more or less, according to the *Country*, *Place*, *Certainty of the Rent*, and other circumstances.

III. That if any *Difference* should arise betwixt the *Master* and *Managers* of the *Office*, and the *Owners* of the *Lands*, about the *Title* or *Value* of any *Estate*, 'tis to be determin'd by a Council of *Seven*, to be Yearly chosen by the *Owners* of the *Lands*.

IV. That after any Estate has been Enter'd in the Office Six Months, and the Bills in the interim have been once Adjudg'd, that the Value of such Bills may be the better known and approv'd of; The Bills drawn on such Estates, upon giving a Months Notice to the Office, and paying after the rate of Twenty Shillings per Cent. shall be Discounted and Paid in Ready-Money, by the Office, without any other Deduction than a Month's Interest, payable on such Bills; so that such Interest be not less than Two-pence per diem.

V. That the Interest of the Bills is to be paid by the Office every Six Months, according to the Date of the Bill: And therefore every Person, upon Conveying and Entering his Estate in the Office, is to deposit a *Tears Interest*: And also to pay to the Office the Interest every Half-year, Ten Days before it is due.

VI. That all *Bills* are made Assignable and Transferable only into the Books of the Office, wherein the Habitations of the Persons to whom the Bills are Assign'd are mention'd; There being no other way to prevent Counterfeiting of the Bills; Or to know where to send for the Bills when any Person desires to call for them in, and discharge his Estate; which the Office undertakes to procure upon a Months Notice, and to deliver to the Parties that have such Bills, *Many* or *Bills* of the same Value, at the Election of the Parties. And after Notice left at their Abode, the Interest of the said Bills ceases, till they bring them to the Office. The Fee for Assigning of a Bill is *One Shilling*.

VII. That the Bills drawn on Estates in Houses, may be of the same Value as Bills drawn on Land; the Houses before they are Convey'd and Enter'd in the Office, are to be Insur'd from Fire: And to that intent there is an Office for Insuring Houses from Fire, wherein several Hundreds of Houses are Insur'd, annex'd to the Office for Transferring and Discounting Land-Bills.

VIII. And that all Bills, after they have been Discounted by the Office, may be of a more certain Value, there is Ten per Cent. of the Stock of the Office, and One per Cent. of the Value of all Estates, Convey'd, (which is to be deposited at the time of Conveying and Entering the said Estates) Appropriated, and made a Fund or Security to make good all Losses, if any should happen, to such Bills. And to distinguish them from other Bills, a Stamp of the Office is to be set upon them, after they are Discounted.

And because the Care of Safely Lodging and Disposing of Money is not much less troublesome to some Persons than the Care of Wanting to others; those that lodge their Money in the Office, shall have Bills Discounted by the Office Assign'd them, and their Money repaid upon a Months Notice, without paying for their Discounting; And if they Assign those Bills to a third Person, they are to be allow'd Ten Shillings *per Cent.* by the Office.

IX. That there may never be wanting in the Office a Sufficient Sum of Money to Discount the Bills, and to Reimburse the Stock of the Office; the Masters and Managers of the Office are to call for in equally, Ten or more per Cent, of the Value of all the Bills drawn on Estates Convey'd and Enter'd in the Office; for which Money Bills are to be Allig'd; and after Six Months, upon a Months Notice, those bills are to be again Discounted by the

the Office. And those Persons as shall refuse or neglect to pay such Proportions of their Debt as shall from time to time be call'd for, or neglect to pay their Interest, when due; the Masters and Managers are to call for the whole Sum due on such Estates: And after Six Months demand, and not paid, the Trustees are to sell the Estates, by the public Sale of the Office.

X. That it may be the Interest of the Owners of the Lands to assist and promote the Circulation of their Bills, by making their Payments by Bills of the Office; the Owners of the Lands are to be Sharers with the Office, in the Profit of the Discount; that is, for every Hundred Pounds that the Owners of the Lands pay into the Office, they are to have Bills Assign'd them: And upon Reassigning the said Bills to a third Person, they are to be allow'd Ten Shillings *per Cent.* by the Office.

XI. That the Owners of the Lands, having a joint Interest with those that are Sharers in the Office, to support the Credit of the Land-Bills, have Power, by the Settlement, to hold General Courts, and make such *Rules and Orders* for the Advancing the Credit of their Bills, and promoting the Circulation of them, as they shall from time to time think necessary. And also chuse Annually among their number Seven Persons, who are the Council of Appeals, and are to determine all Differences betwixt the Owners of the Land, and the Master and Managers of the Office, about the Title or Value of any *Estate* Convey'd and Enter'd in the Office.

XII. That the *Stock* of the Office is divided into Five hundred and Twenty Shares, each Share being Fifty Pounds, with a Power, by the Settlement, for the Owners of the *Stock* to enlarge it when they find Occasion. The Government of the *Stock* is by a Master and Ten Managers to be chosen Yearly. But for the better establishing of the Office, the Master is appointed by the Settlement, for the first two Years: And every Person that has Five Shares is to be one of the Managers for that time. And because there is no present Occasion for Money, Bills being not to be Discounted by the Office till after Six Months; therefore there is only Five Pounds for each Share to be paid to the *Cashier*, at the Admission into the Office, And the rest is to be paid when the Masters and Managers shall call for it.

XIII. That there is a public Sale to be appointed, once a Year, or oftener, by the Master and Managers of the Office, for the Selling of *Lands and Houses*, which will be found to be of great Advantage to the Owners of *Lands*, who are often forc'd to Sell their *Estate* at *Undervalue*, for want of Customers; And of as great Benefit to the Purchaser, who is too often impos'd on in the *Value* of the *Estate*. Whereas the *Value* of *Lands* Enter'd in the Office will be well known. The Fee for Selling *Estate* is Ten Shillings *per Cent.* of the Value the *Estate* is Sold for. And all *Estate* Convey'd and Enter'd in the Office are to pay Ten Shillings *per Cent.* whenever they are Clear'd and Discharg'd of the Office.

These are the Chief Conditions of the Settlement of the Office for Transferring and Discounting Land-Bills.

The Advantage to the *Public* by this Office is; That by this Settlement the Lands of England are made a Fund for Bills of Credit, which makes such Bills undeniably certain, and will prevent Losses: For the Person that draws the Bill, the *Estate*, the Credit of the *Office*, and the Fund of Insurance, are all engaged for the Payment of the Moneys due on the Bills. And had this Design been sooner thought of, it might have prevented the Loss of near Three Millions of *Money*, which have been lost within these Thirty odd Years, being within the time since Goldsmiths Notes have had a Credit.

The Advantage to the Owners of the Lands are very great: They may have Money on their *Estate*, after the first Charge of Entering them in the Office, as far as Three Fourths of the Value at Three *per Cent.* And if they make all their Payments by Bills in the Office, they may save that Interest. Besides, they may pay off and discharge any part of their Debt, at any time, without Notice: Which Single Convenience will preserve many a Family from ruin; for, by those Wholesale Mortgages, the Money being all to be paid together, and being too great a Sum to be easily borrow'd, the Owners of the Lands are too often foreclos'd of the Equity of Redemption, and lose One Fourth Part of the Value of their *Estate*.

But by this Settlement of the Office the Lands there Convey'd and Enter'd are as good as Ready-Money; for though Bills are to be Discounted by the Office till after Six Months; That does not lessen the Value of the Bills, because they may be Assigned in the Interim, and will be accepted and taken, if they are of Value, according to the Settlement: And if they are not of such Value, they ought not to be Discounted by the Office. And as to the Charge of One *per Cent.* for Discounting them, that cannot prejudice the Value of the Bills; for the Interest of the Bills pay, for the most part, pay it: But if not, the Bills cannot be reckon'd worse than so many Guineas; for they change their Value *improvement* or *Three-pence* a Guinea once or twice a Year, in the most settled times of Payments, and yet no man refuseth them; because there may be a Loss of One *per Cent.* by taking them; nor are the Bills the worse because they are not to be Discounted without a Months Notice, because, in all Dealings, Payments within a Month are reckon'd as Ready-Money.

It is not design'd by this Office, to make these Land-Bills better than Ready-Money; for if it were possible to manage Funds of Credit, which are not Money, by Bills with Interest, all Payable on Demand, and to make the Payments in Money certain, such Bills were better than Ready-Money; because of the Interest of the Bills, which Ready-Money does not produce. But, how can those Payments be made certain, when it is uncertain what will be demanded? Unless the whole Money owing lay in a Chest, or the Directors or Managers had *Midas's* Power, that whatever they touch, they could turn into Gold.

But such a Power the Masters and Managers of this Office do not expect, and therefore have placed the Belief of the punctual Payments of their Bills upon this Probability: That having always a Month's Notice of what they are to pay, they may better provide to comply with their Payments, especially when it is in their Power to call for Ten or more *per Cent.* of their Bills, whenever the Office wants Money; And when it is the joint Interest of the Owners of Lands, as well as of the Office, to support the Credit of their Bills; And so easie for the Owners of the Lands to comply with the Occasions of the Office; because, if they have not Money, having Bills, which are real Security, Assign'd them, they may easily borrow it; and much easier borrow part, than the Whole; which in all other Mortgages they are forc'd to do whenever the Money is call'd for; and especially since those Bills are again to be Repaid and Discounted by the Office, after Six Months, upon a Months Notice. For these Reasons it is very probable the Office can never want Money to Discount their Bills.

And since by the Account of the Office the Directors and Managers of other Funds may seem to be reflect-ed on, by saying, That the most of Success was for want of Skill in Management; if any Displeasure should from thence arise, to cause some Reflection: It is hoped that it is out of the Power of Anger or Revenge to lessen the Value of these Land-Bills. And as to the Punctual Payment of them, the Master and Managers will be content to fall under the severest Censure, whenever any Person comes twice to the Office for his Money, after once his Bills are due.

¶ The Office for Transferring and Discounting Land-Bills, is kept by the Hercules-Pillars in Fleetstreet, near Temple-bar. Together, with the Office for Insuring Houses from Fire.